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TIMELY FARM TOPICS - 7b
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DO FARMERS NEED SOCIAL SECURITY

Transcription by Dr. George E. Bigge, Member of the Social Security Board; Dr. Carl C. Taylor, Head of Division of Farm Population and Rural Welfare, U. S. Department of Agriculture's Bureau of Agricultural Economics; and C. A. Bond, Department of Agriculture's Radio Service. Time: 8 minutes, 02 seconds.

NO ET CREDIT ON TRANSCRIPTION

SOUND: HORSES WHINNEY

VOICE I: Hello, Charley

VOICE II: Hi, Ed! Back to stay?

VOICE I: Nope . . . going back tomorrow. Just riddin' 'round the neighborhood for a little country air.

VOICE II: Sorta hoped you're goin' to stay. I could use some help with those twenty cows I'm milkin' now

VOICE I: Where's old John?

VOICE II: John's not with me any more. He's getting pretty old, you know, so he's quit and gone to town to live with that sister that's a widow

VOICE I: Gonna live on his income, eh

VOICE II: Don't 'spose John's got any income . . . maybe a little money saved up. But that's all. He figures he'll pick up a few odd jobs in town now and then.

John's handy, and he's still able to do light work.

VOICE I: Just the same, he'll miss not having something come in regular, though. That's one thing about my factory job. If a fellow sticks at it, he get's a little social security money regularly for his old age

VOICE II: We farm people aren't in on that Social Security deal, Ed. That would've helped in a case like John's.

VOICE I: Most farm people don't know a thing about social security, Charley.

BOND:

Ed's right. Many farm people don't understand the Federal Social Security plan and what it means to family security. So let's have an "Agriculture after the War" meeting, and talk over this question of whether farm people need to be covered in the social security plan. We'll meet with a social economist of the United States Department of Agriculture in Washington, Dr. Carl C. Taylor, and Dr. George E. Bigge, Member of the Social Security Board. Dr. Bigge is also an economist.

There's a general notion that farm people are pretty self-sufficient and somehow they're equipped to meet the hazards of life better than town and city folks. You'd agree to that, wouldn't you, Dr. Taylor?

TAYLOR:

Yes, I would Al Bond. As a matter of fact, I'm afraid farm people feel more self-sufficient than they really are. I'm proud of them for feeling that way, but I'm afraid the feeling is handicapping them in relation to Social Security.

BOND:

Farm people feel more self-sufficient than they actually are, Do you go along with Dr. Taylor on that, Dr. Bigge.

BIGGE:

Yes, I'm afraid I do

BOND:

Then let's answer this: Do farm people need a social security program? What are the hazards of insecurity they face? Dr. Bigge

BIGGE:

You can leave out the farmer's arch enemy, weather, and still have plenty of hazards. Although a farmer might be called a self-employed capitalist, often his cash income is not big enough or regular enough to see him and his family safely through emergencies -- such as his death -- or old age -- to say nothing of extended illness.

BOND:

Leaving out the weather, also, what would you add, Dr. Taylor?

TAYLOR:

Farmers don't live the simple life any more. In the old days when farmers were more self-sufficient and farm families larger, farm people could meet many of their troubles more easily. Members of the family saw them through. That's not so true today. Cash demands are so much greater and emergencies so much more frequent. Most people meet their emergencies now with some form of insurance.

BIGGE:

Another thing. The percentage of dependents is high in farm families. There are more children and old people than you find in other groups. So the old-age and survivors insurance program is particularly appropriate for farm groups. It protects children and old people.

TAYLOR:

We must remember, also, that farm income is both low and irregular -- very irregular on specialized farms. And even if the crops are good, you've got the hazard of the unpredictable operation of the economic system. Income can drop fast when farm prices fall. Don't forget that.

BIGGE:

And low income, of course, means a low level of living and almost complete absence of savings to provide for emergencies.

BOND:

Now, so much for a picture of the insecurities of farm people. Let's see what sort of a fight has been put up against these insecurities. Have farm people tried to underwrite their hazards of insecurity?

TAYLOR:

Yes, they always have . . . in one way or another. In pioneer days, they met the problem by caring for dependents within families and in general absorbing their own miseries. Even when I was a boy, nearly every family had some old person or relative in the house. These people sometimes earned their way by being generally useful around the house or farm. But if they were disabled and couldn't help, they were cared for just the same.

BIGGE:

But that was in the day when a little cash would go a long way on a farm . . . when farmers produced almost everything they consumed. But now cash is a tremendous necessity. And farmers have come to use insurance as protection against some of their hazards -- property risks to buildings, animals, crops, machinery and so on.

TAYLOR:

But they still face many risks that are not covered sufficiently, or not covered at all -- by insurance or by any other means.

BIGGE:

Yes and two of those risks would be covered if farmers were included in the old-age and survivors insurance program. That is a system under the Social Security Act that provides cash insurance payments every month to persons who are eligible. Insured people and their families get payments when they grow too old to work and must retire. And widows and children of insured people who die get regular monthly payments too.

TAYLOR:

That's right -- and if ever there are two times when a farm family needs cash, they are the two . . . when a widow is left with children to support and her only resource is a farm which she can't work as well as her husband, if at all, and when the farmer and his wife are too old to make the farm pay.

BOND:

But, Dr. Taylor -- as Dr. Bigge just pointed out, farmers are not included in this part of the Social Security system, old-age and survivors insurance.

TAYLOR:

That's true, Al. But I understand that the Social Security Board has recommended that this insurance system be extended to cover both farm operators and farm workers. That's correct, isn't it, Dr. Bigge?

BIGGE:

That's right.

TAYLOR:

And it would not be relief -- it would be insurance . . .

BIGGE:

No definitely not relief. And I'd say that's one reason why there hasn't been a more widespread demand among farmers to be covered by the Social Security program. They don't actually know much about it, and many of them have the mistaken idea that it's a relief program.

TAYLOR:

You may be right, Dr. Bigge. That may be one of the reasons farm people haven't taken to the idea. So I am glad that you have pointed out that it is an insurance program. The farmer and the farm hand would pay premiums, just as they pay premiums for any other kind of insurance. And . . . for those premiums . . . they would get certain protection.

BIGGE:

Yes, as I have said, old-age and survivors insurance right now provides monthly insurance payments to insured people when they retire -- and to their families. Or, if they die, it provides monthly payments to their survivors. And, as you know, the Board has recommended certain additions. The most important are that in cases of disability we would make the same payment as in old age and that the insurance program would be used to pay the costs of medical care and hospitalization. They are the most important recommendations, Dr. Taylor.

TAYLOR:

There's not an item of relief in the plan except public assistance for the needy. The idea that social security annuls individual initiative is all wrong. What it actually does is to underpin individual initiative . . . so initiative will not be destroyed if opportunities and levels of living fall too low.

BOND:

Now to close this discussion, Dr. Taylor, what would you advise farmers to do about Social Security?

TAYLOR:

I'd advise farmers to dig into the subject for themselves . . . find out as much as they can about the program and what it means to them. Then weigh the pros and cons and make up their own minds about whether they want Social Security for farm people.

ANNOUNCER: (LIVE)

One way to help farm people understand the Social Security program is to talk it over among themselves. Make sure it's included in subjects for discussion at local meetings on post-war agriculture. If you need background material for a program, see your county agricultural agent or write to the nearest office of the Social Security Board.

In this discussion of whether farmers need social security, we've heard Dr. Carl C. Taylor, social economist of the United States Department of Agriculture...and Dr. George E. Bigge, Member of the Social Security Board. Al Bond was discussion leader.

